

SENATE BILL 169

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2004 Regular Session
4r1817
CF 4r1043

By: **Senator Kasemeyer**

Introduced and read first time: January 23, 2004

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Retirement and Pensions - Ordinary Disability Retirement Allowance -**
3 **Offsets**

4 FOR the purpose of requiring that certain retirees who meet certain criteria be
5 subject to a reduction to their ordinary disability retirement allowance; and
6 generally relating to reducing ordinary disability retirement allowances.

7 BY repealing and reenacting, with amendments,
8 Article - State Personnel and Pensions
9 Section 29-116
10 Annotated Code of Maryland
11 (1997 Replacement Volume and 2003 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - State Personnel and Pensions**

15 29-116.

16 (a) The Board of Trustees shall reduce the pension of a retiree on ordinary
17 disability if:

18 (1) the retiree is under normal retirement age;

19 (2) the medical board certifies in a report to the Board of Trustees that
20 the retiree is [engaged in a gainful occupation paying more] EMPLOYED BY A
21 PARTICIPATING EMPLOYER AT AN ANNUAL COMPENSATION THAT IS GREATER than
22 the difference between:

23 (i) the retiree's retirement allowance at retirement; and

24 (ii) the retiree's average final compensation plus \$5,000;

25 (3) the Board of Trustees agrees with the medical board's report; and

1 (4) the retiree's allowance has not been temporarily suspended as
2 provided in § 29-115 of this subtitle.

3 (b) The Board of Trustees shall reduce the pension of a retiree who has been
4 receiving an ordinary disability retirement allowance for:

5 (1) less than 10 years, by \$1 for every \$2 that the retiree's current
6 compensation exceeds the limit under subsection (a) of this section; or

7 (2) at least 10 years, by \$1 for every \$5 that the retiree's current
8 compensation exceeds the limit under subsection (a) of this section.

9 (c) The pension to be reduced under this section is the pension at retirement
10 without any cost-of-living adjustment.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 2004.